

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et  
al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**RE: ECF No. 4373**

**AAFAF'S RESPONSE TO MOTION OF THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS FOR ORDER UNDER BANKRUPTCY RULE 2004  
AUTHORIZING DISCOVERY OF TITLE III DEBTORS**

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), as the entity authorized to act on behalf of the Commonwealth of Puerto Rico (the “Commonwealth”), pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, respectfully submits this response (the “Response”) to the: “*Motion of Official Committee of Unsecured Creditors for Order, Under Bankruptcy Rule 2004, Authorizing Discovery of Title III Debtors, Other than COFINA, Concerning Potential Avoidance Actions*” (the “Unsecured Creditors’ Committee”) [ECF No. 4373, the “Motion”].

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

1. On November 27, 2018, the Unsecured Creditors' Committee filed the Motion requesting that the Court: (i) authorize the Unsecured Creditors' Committee's request for the production of documents concerning potential avoidance actions pursuant to Federal Rule of Bankruptcy Procedure 2004, (ii) authorize the issuance of the document request contained in Exhibit B of the Motion, and (iii) direct the Debtors (other than COFINA) to meet and confer in good faith with the Unsecured Creditors' Committee regarding the timing of document discovery in response to the Document Request.

2. Exhibit B of the Motion (the "Document Request") requests that the Debtors produce the following information:

"With respect to any Transfer by You having a value of \$3,000,000 or more during the Applicable Period, produce either a list of or other documents sufficient to identify: (i) the amount of such Transfer, (ii) the date of such Transfer, (iii) the Person who received such Transfer and/or the Person on whose behalf the Transfer was made, and (iv) a brief description of the nature of the Transfer sufficient to explain the purpose for which the Transfer was made."

3. The Unsecured Creditors' Committee asserts the need for the Document Request to investigate and preserve any potential avoidance actions that could be brought against third parties pursuant to 11 U.S.C. § 546(a)(1)(A).

4. AAFAF hereby informs the Court that it does not object to the Unsecured Creditors' Committee's request for production and information pursuant to Federal Rule of Bankruptcy Procedure 2004, nor does it dispute the underlying basis for the Unsecured Creditors' Committee's request.

5. Nevertheless, and considering the scale of the information being requested, the Debtors, through AAFAF, are engaged in productive discussions with the Unsecured Creditors' Committee to attempt to reach an agreement over the appropriate scope of the information and documents to be produced, as well as to establish a reasonable timeline for the production. Thus,

AAFAF reserves all rights and objections as to the scope and extent of such production requested in the Motion, in the event that no agreement on such production is ultimately reached with the Unsecured Creditors Committee.

**WHEREFORE**, AAFAF respectfully requests that this Court (i) take notice of the above, and (ii) grant any further relief the Court deems just and proper.

Dated: December 9, 2018  
San Juan, Puerto Rico

Respectfully submitted,

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